



NEW ZEALAND
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San Diego: Investment, science, and tech opportunities for New Zealand companies

MARKET INTELLIGENCE REPORT

Summary

- **Global life sciences leader:** San Diego is the third largest life sciences hub in the United States, anchored by world-class research institutions and major biotechnology companies, with strong capabilities in genomics, precision medicine, drug discovery, and medical devices.
- **Strong investment and talent ecosystem:** The region attracts substantial venture capital, federal research funding, and foreign investment, supported by a highly specialised workforce of more than 89,000 life sciences professionals and a collaborative innovation culture.
- **Competitive cross-border advantage:** Proximity to manufacturing hubs in Mexico enables companies to combine leading-edge R&D with cost-effective production, accelerating product development and commercialisation.
- **Opportunities for New Zealand firms:** New Zealand companies already have a successful presence in San Diego, and further opportunities exist through research partnerships, investment networks, AI-driven innovation, and access to the North American life sciences market.

Report

San Diego is a life-sciences hub

San Diego is the third largest life sciences hub in the US, alongside Boston/Cambridge and the San Francisco Bay Area. Built around world-leading research institutions such as University of California San Diego (UCSD), the Salk Institute and Scripps Research, the region has developed internationally recognised strengths in genomics, precision medicine, and drug discovery. It is home to globally significant biotechnology companies including Illumina, Neurocrine Biosciences and Bristol Myers Squibb who operate across the value chain, from research tools to therapeutic development and pharmaceutical commercialisation.

The Prime Minister's Chief Science Advisor, Dr John Roche, visited San Diego on 21-25 June to attend the Bio Innovation Convention, the world's largest biotechnology industry gathering attracting 20,000 participants from global pharmaceutical companies, biotechnology firms, investors, research institutions, and government representatives. NZTE had a booth at Bio Innovation Convention, co-funded with nine New Zealand companies.

During the week, Dr Roche also met with the San Diego Mayor, Biopharma Business Development for Mayo Clinic, APRA-H, and the Director and Special Adviser for the National Institutes of Health, and over 200 key influencers from the clinical trials and biopharma sector where he spoke about the advantages and strengths of the biotech sector in New Zealand.

Speaking ahead of the Bio Innovation conference, Mayor Todd Gloria outlined San Diego's heft as a research and development centre, with the region's tech and science sectors attracting USD \$3.6billion in venture capital in 2025, and \$65billion in FDI since 2015. The region contains approximately 27 million square feet of laboratory and research space, with local organisations receiving more than US\$1 billion in National Institutes of Health (NIH) funding in fiscal year 2024. This substantial federal investment has helped sustain a dense network of research institutions, industry organisations and elected representatives that collectively advocate for the sector in Washington DC.

The State of California has made life sciences a strategic economic priority. San Diego is the nation's leading life sciences economy, supporting 1 million jobs across the state, and generating more than USD \$400 billion per year. The state of California's '2025 California Jobs First Economic Blueprint' further reinforced the sector's importance, identifying life sciences as a strategic growth industry and a priority area for future investment, workforce development, and innovation policy.

...with a highly specialised workforce...

San Diego employs more than 89,000 people in life sciences, making it the third-largest life sciences workforce in the United States. The presence of anchor companies such as Illumina has generated a strong 'talent recycling' effect, with experienced founders, scientists and investors repeatedly launching new ventures and supporting early-stage companies.

...advantageous proximity to manufacturing hubs in Mexico....

The area also has a competitive advantage in the concentration of biotechnology expertise within a relatively compact geography, with Mexico offering a solid manufacturing hub just a few miles away. Over 1,100 companies capitalise on this binational advantage via manufacturing contracts with IMMEX - a Mexican federal program that allows foreign companies to temporarily import raw materials, components, and machinery into Mexico tax-free and duty-free, provided the finished products are exported within a set period. The combination of an innovative R&D ecosystem in San Diego, alongside the manufacturing heft in Mexico, means companies can iterate and get products to market faster.

With the bonus of most goods moving tariff-free between the US and Mexico under the USMCA trade deal, this integrated cross-border manufacturing ecosystem has helped establish the wider San Diego-Baja California region as one of the world's leading centres for medical device design and production.

...and a forward-thinking approach to AI

But the ecosystem is not relying solely on its established competitive advantages. The region has strengths in genomics, precision medicine, RNA therapeutics, diagnostics, and medical devices and is exhibiting rapid adoption of AI-enabled research and development tools, from data mining to genomic mappings and even into therapeutic manufacturing operations. Co-Founder and CEO of La Jolla Labs, Tamra Grossman noted that whereas spinal muscular atrophy drug Spinraza took 16 years to develop, AI has helped La Jolla Labs latest RNA ASL drug take only 7 months from sequencing to patient delivery.

New Zealand already has a successful presence in San Diego biotech

New Zealand already has presence in the San Diego bioscience market, with several businesses located there including [Pictor](#) and [Alimetry](#), and others including [Aranz](#). [InflammX Therapeutics](#) and [Toku Eyes](#) are two recent New Zealand success stories, both acquired within the last year.

...but there are more opportunities.

Some New Zealand representatives shared that proximity, time zone, and strong academic links are positive for San Diego, though admit that high costs in California can remain a barrier.

Chief Strategic Officer at the San Diego Regional Economic Development Council, and CEO of the World Trade Centre Nikia Clarke drew attention to the city's support for permitting, and assistance in building networks and partnerships between companies of differing size. San Diego also hosts the world's largest life science advocacy and membership organisation, Biocom California which acts as a force multiplier for the local industry.

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